

**TOY DISTRICT/DOWNTOWN INDUSTRIAL DISTRICT
BUSINESS IMPROVEMENT DISTRICT
BOARD OF DIRECTORS MEETING
FEBRUARY 28, 2007
MINUTES**

BOARD MEMBERS

Present: James Doizaki, Howard Klein, Matt Klein, Larry Rauch, Sherry Shinbane (for Mark Shinbane), William Shinbane, Michael Tansey and Paul Vert.

Absent: Richard Gardner, Donald Kanner, Richard Meruelo, Thomas Payne, Mark Shinbane and Charlie Woo.

STAFF: Tara Devine, Raquel King, Greg Lee, Estela Lopez and Vicky McCormick.

CONSULTANTS: Qathryn Brehm, Ken Coelho and Don Steier.

I. CALL TO ORDER

Vert called the meeting to order with a quorum at 12:10pm.

II. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

Officer Mark Hyland, LAPD Newton Area, reported that a few of the Newton Area officers have been assigned to assist the Safer Cities Initiative Team once a week. Officer Hyland reported that violent and property crimes have decreased in Newton.

Officer Hyland mentioned that he and his partner Officer Madrigal are looking for a long term housing solution for the homeless individuals that live across the street from Inner City Arts on Kohler Street.

III. APPROVAL OF MINUTES

Tansey made a motion to approve the January 22, 2008 minutes, and M. Klein seconded. The Board unanimously approved.

IV. INTRODUCTION OF LAPD LT. RICH THOMAS, OFFICER IN CHARGE, SAFER CITIES INITIATIVE (SCI) UNIT

Lopez welcomed and introduced Central Area Captain Jodi Wakefield and Lt. Rich Thomas. She informed the Board that Lt. Thomas is the officer in charge of SCI.

Lopez thanked and publicly acknowledged the heavy burden that Capt. Wakefield has been carrying after the SWAT shooting incident in which Officer James Veenstra, husband of Central Area Captain Michelle Veenstra, was seriously injured. Lopez stated that Capt. Wakefield has been carrying the load of the entire division. Lopez also stated that CCEA's Board has been very supportive in donating funds to the families Officer Veenstra and Officer Randy Simmons, who was killed.

Capt. Wakefield reported that Capt. Veenstra and her husband were doing well both mentally and physically. Capt. Wakefield stated that the Veenstra's were overwhelmed with the support they received from the City and community. Capt. Wakefield thanked Lopez for going to the hospital to show her support.

Capt. Wakefield informed the Board that Lt. Greg McManus, the former officer in charge of SCI, had been transferred to Rampart Division. Capt. Wakefield stated that she worked very hard to get Lt. Thomas to Central Division to replace Lt. McManus.

Lt. Thomas thanked Lopez for inviting him to meet the CCEA Board of Directors. Lt. Thomas stated that upon his arrival he met with Lopez and saw the efficiency of the BID operation.

Lt. Thomas mentioned that because of the Jones decision, which allows people to sleep on sidewalks between 6pm-9am, LAFD is having issues accessing buildings with emergency situations. LAPD will be working with the City Attorney's office to enforce the ten foot rule, which currently prohibits individuals from camping within ten feet from a doorway or loading dock.

Lt. Thomas also reported that along with the City Attorney's office, he is working on developing a community court to address pedestrian traffic violations. The idea is to educate violators through video or lectures.

Capt. Wakefield added that violent crime is down in the Central area. Property crimes such as burglary from motor vehicles continue to be a problem in Central Area. Capt. Wakefield stated that the LAPD needs help with public awareness and crime prevention.

W. Shinbane stated that he has observed narcotic activity amongst bicycle messengers, and have also noticed in the evening hours, people selling drugs from their parked vehicles on Crocker Street.

Capt. Wakefield informed the Board that she will be increasing LAPD's night deployment. Capt. Wakefield also mentioned that the Toy District is very dark at night. King informed the Captain that she is working with the DWP to repair/install lighting throughout the Toy District.

Steier asked Capt. Wakefield if the surveillance cameras that CCEA donated to the LAPD were being used. Capt. Wakefield stated that the cameras are being used, and many arrests have been made as a result of the cameras. The camera detail consists of six officers.

Rauch informed the Board that he attended a disaster planning conference, and asked Capt. Wakefield if there was a way to work with Central Area to discuss disaster preparation and planning. Capt. Wakefield stated that the LAPD has standard disaster planning exercises that mostly pertain to the high rises in the western part of Downtown, but encourage disaster planning exercises with all of Downtown. LAFD and the Senior Lead Officers could also participate.

Lopez stated that she would send an email to see which companies in the area are interested in disaster planning exercises.

V. FINANCIALS

Coelho reported that in January the Toy District had a set budget of \$48,000; expenses totaling \$15,000 were paid; \$33,000 cash under budget. However, that does not include the expenses incurred in January for which we had not yet received invoices (including approx. \$17,000 for the maintenance contract).

Coelho stated that he accounted for the accrued expenses by increasing the year-end numbers, and Toy is projecting to be at even by year end.

Coelho then reported that in the month of January DID had a set budget of \$120,000; expenses totaling \$68,000 were paid; \$52,000 cash under budget. This is for the same reasons stated in the Toy report.

Coelho stated at this time DID is projecting to have a cash surplus of approx. \$99,000 at year-end. However, he also mentioned that it's just January and that number will most likely be changing to about even as the year progresses.

Coelho reported that in January, funds from the \$150,000 line of credit were used to pay expenses for all three BIDs. When 2008 assessments were received in February, the loan was paid in full in order to reduce the interest charged.

2008 Assessment income received by DID totaled \$547,000 and \$218,000 in Toy.

Coelho informed the Board that all personnel salaries are paid through DID, and Toy reimburses DID for its share in the following month. Currently, the private account owes DID just over \$8,700. The Arts District will reimburse the private account

monies owed for the BID formation, which will then cover the amount the private account owes to DID.

Coelho reported that for the 2007 assessment receivables, \$34,000 combined is all that is owed to Toy/DID. The City also includes interest and penalties. By the end of 2008 the budgets will hopefully be even.

VI. RENEWAL UPDATE

Lopez informed the Board that renewal consultant Steve Gibson, and that Gibson would attend the March board meeting to talk about budgets and assessment formulas for Toy and DID. Lopez then asked the Board if they would like to begin the March board meeting at 11:30am instead of 12:00pm due to the renewal discussion. The Board agreed to start the meeting at 11:30am.

Lopez stated that staff gave Gibson preliminary budget projections for 2010-2015.

Lopez then reported that CCEA hosted a Toy District property meeting, in which only two property owners attended. Lopez mentioned that one of the property owners stated that business in the Toy District was better when the streets were dirty and filled with homeless. Lopez stated that she would be reaching out to the property owners who did not attend the meeting to speak about the future of the BID.

VII. OPERATIONS UPDATE

McCormick reported that the public safety team had received first responder training from the LAFD. The team also received training from LAPD Senior Lead Officer Steve Nichols regarding burglary from motor vehicles, and the behavior and trends of the burglars. McCormick added that flyers are being placed on vehicles with exposed items inside of them.

McCormick reported that individuals blocking the sidewalk with numerous shopping carts and other items have become a big problem. LAPD does not allow more than two shopping carts per

individual. McCormick informed the Board that she has been working with the LAPD Vice unit on the issue of liquor stores and their single sales of alcohol. The BID's public safety team have identified thirty-six (36) instances of single sales, and the stores the alcohol was purchased from.

McCormick mentioned that she and King would be meeting with the DWP regarding dark areas in the Toy District. The theft of copper wiring at the base of the poles is a big problem throughout Downtown.

McCormick reported that the number of encampments in Central area has tripled, with increases also in Newton area. McCormick stated that there is a lack of LAPD foot beats in the area, and that the BID has to call for the LAPD several times a day.

Lopez added that the according to the LAPD homeless count, numbers in February increased by one hundred (100) compared to January.

McCormick reported that the maintenance crews are working at night cleaning and collecting trash in the Toy District. The district is clean in the morning as people drive to work and merchants open their businesses.

McCormick informed the board that the new maintenance contractor was getting familiar with the districts during the month of February; therefore pressure washing was not performed.

McCormick reported that the build out of the CCEA warehouse was complete, and that the current Check in Center paperwork process would be computerized. Vert recommended that the warehouse be highlighted in the CCEA newsletter.

McCormick also informed the Board that she's communicating with Waste Management regarding lower trash collection costs and a recycling program. McCormick stated that Waste

Management would also provide locked bins. CCEA currently contracts with Consolidated Waste, whose prices have just increased.

Eric Hoff, owner of It's a Blast, CCEA's maintenance contractor, reported on the nighttime trash collection in the Toy District. Hoff reported that 90% of the trash collected comes from merchants. Hoff stated that nighttime clean up is working well. The night crew works Sunday thru Friday, 8:30pm to 1:00am. There's no night shift on Saturdays.

Lopez stated that she is impressed with the professionalism of Hoff's staff.

King reported that she and the surveillance camera vendor Bearcom met with LAPD Sgt. Hetzler and Officer Winger regarding the surveillance cameras. The two officers were just recently assigned to the camera detail and needed training. Bearcom agreed to train the new officers on how to utilize the equipment.

King stated that she asked the officers to provide monthly stats on arrests that were made as a direct result of the cameras, and the officers stated that they would.

VIII. LEGISLATIVE UPDATE

Industrial Land Use Policy

Devine reported that ILUP is scheduled for PLUM Committee on March 4, 2008. Devine stated that Councilmember Reyes is aware that the ILUP process was flawed, but would like to move forward with a positive process.

Devine reported that CD 14 has asked Gail Goldberg to report at PLUM Committee on how the Arts District can be extended to include the area bounded by Mill-Wilson/Violet/LA River/6th - as a separate issue that can be achieved long prior to the completion of the Central City North Community Plan.

Councilmember Jan Perry has mapped out her industrial areas in CD 9, and provided very specific geographic-based recommendations for conversion or retention of industrially-zoned land. Councilmember Perry has coded all of her Downtown industrial land as "Category 5" which calls for low-impact industrial and live/work. This is very different than what ILUP proposed, which labeled most of her area as an "employment protection area," which would prevent all conversion, except to provide affordable/supportive housing.

Central City East Vision Plan

Devine reported that a several CCEA board members and staff met with LeSar Development regarding the Mayor's ten-year implementation plan for Central City East. The session with LeSar was productive, and the plan is being developed with specific goals in mind.

LeSar Development will develop a report on various goals for Skid Row, and where and how the City of Los Angeles should expend very limited funds to meet those goals.

Rauch asked Devine if she thought LeSar Development was sympathetic to the Board's views, and Devine stated that she believes that LeSar did get the message that Central City East represents vested and concerned long-term property owners, and that LeSar is sympathetic to the negative impacts that Skid Row has on the CCE business community.

However, Lopez stated that the study has been commissioned by the Mayor in response to the County of Los Angeles. The City wanted to work with the County on homeless services and funding, and the County told the City that it must have a plan for Skid Row first. As such, the LeSar study's main focus is to identify and prioritize funding for projects.

Central Industrial Community Advisory Committee (CAC)

Devine reported that the CAC recently had a regular meeting, at which one of the standing agenda items is the review and

discussion of projects that are seeking approval from the Community Redevelopment Agency (CRA).

The committee is about to undertake a "design for development" (DFD) process that will outline various parameters/standards for redevelopment within the project area. The DFD make findings that would discourage or mitigate nuisance uses that are counterproductive to the redevelopment of the district, and will encourage uses that will make the area more viable.

Downtown DASH - New CCE Route

W. Shinbane stated that Devine worked very hard to get a new route added to the DASH system that will serve CCE and include Central Avenue.

Shinbane stated that this was a great accomplishment. Devine stated that the new route could begin in as little as three to four months, but is dependent on the completions of some signal work and the termination/restructuring of another route before the CCE route can be launched.

Quimby Fees

Devine reported that the Quimby fees, which are collected and administered by the City's Recreation and Parks Department, must be used for park projects within a certain radius of where the fees are generated. Last year, the City proposed to raise Quimby fees on adaptive reuse projects. In response, angry downtown developers asked for an accounting of where the millions of dollars already collected have gone.

City Controller Laura Chick performed an audit, which concluded that a majority of the funds have not been spent, and that the department has extremely poor oversight of funds, and has not been effective in pursuing park and recreation opportunities.

Brehm, who was appointed by Councilmember Jan Perry to serve on the Quimby Fee Review Committee, informed the Board that only five of the twenty attendees at the first committee meeting

were not City employees. Brehm reported that there is \$12 million currently available in CD 9 Quimby funds, and they are looking at opportunities to acquire land/build a park. The Department of Recreation & Parks was looking at property on Ducommun in the far north end of the Arts District as a possible park location, but has removed that site from its list due to a high price tag (more than half of current Quimby funds) and a lack of community interest in a project so remote from the residential neighborhoods.

Brehm reported that the committee spoke about identifying other possible locations in the Arts District to create parks. Brehm stated that there would be more meetings to come.

IX. NEW BUSINESS- None

X. ADJOURNMENT- The meeting of the Board was adjourned at 1:46pm.